

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

Budget Bureau No. 1004-0135

Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

Lease Designation and Serial No.

UTSL-071725C

6. If Indian, Allottee or Tribe Name

na

7. If Unit or CA, Agreement Designation

na

8. Well Name and No.

Thurston 5-27-9-24

9. API Well No.

4304737711

10. Field and Pool, or Exploratory Area

undesignated

11. County or Parish, State

Uintah Utah

**SUBMIT IN TRIPLICATE****1. Type of Well**☐Oil  
Well☒Gas  
Well☐

Other

**2. Name of Operator**

Thurston Energy Operating Company

**3. Address and Telephone No.**

PO BOX 240 Vernal, UT 84078

**4. Location of Well (Footage, Sec., T., R., M., or Survey Description)**

683' FSL &amp; 1797' FEL SWSE 9S 24E Sec. 27

**12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA****TYPE OF SUBMISSION**☒

Notice of Intent

☐

Subsequent Report

☐

Final Abandonment Notice

☐

Abandonment

☐

Recompletion

☐

Plugging Back

☐

Casing Repair

☐

Altering Casing

☐

Other \_\_\_\_\_

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

☒

Change of Plans

☐

New Construction

☐

Non-Routine Fracturing

☐

Water Shut-Off

☐

Conversion to Injection

☐

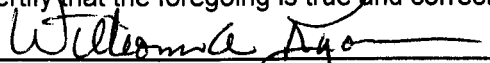
Dispose Water

**13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\***

Thurston Energy Operating Company requests to change the water source for drilling, cementing and completion. The new water source would come from a Vernal City tap. A permit number was not provided for the new source. Please see the attached map for additional details. The address of the tap is Dalbo/A-1 Tank at 355 South 1000 East Vernal, UT 84078.

**14. I hereby certify that the foregoing is true and correct**

Signed



Title Agent

Date 07/19/06

(This space for Federal or State office use)

Approved by

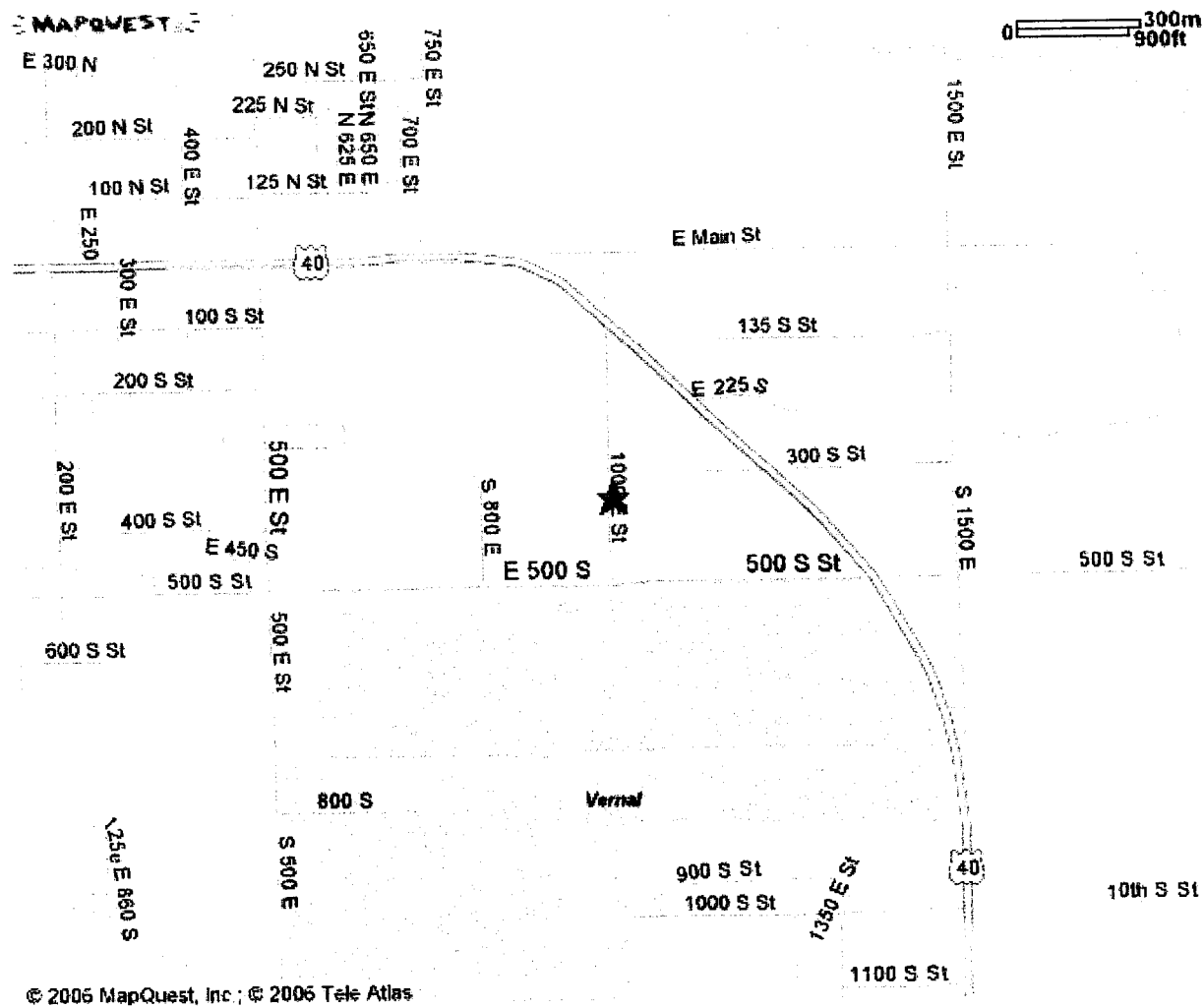
Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*See Instructions on Reverse Side****RECEIVED****JUL 28 2006****DIV. OF OIL, GAS & MINING**



RECEIVED

JUL 28 2006

DIV. OF OIL, GAS & MINING

*Thurston Energy Operating Company*

2754 W. Hwy 40  
Vernal, Utah 84078  
(435) 789-2653  
(435) 789-2657 Fax

CONFIDENTIAL

BLM, Vernal Field Office  
170 S 500 E  
Vernal, UT 84078

*T09S R24E5-27*  
*43-047-37711*

Dear Ms. Villa,

Please find the attached cultural resource report prepared by Sagebrush Consultants in reference to The Houston Exploration Company. The attached report covers and clears the pipeline change for the Thurston 15-27-9-24. If you have any questions, please feel free to contact me at 435-789-4162.

Best regards,

*Ginger Stringham*  
Ginger Stringham

RECEIVED

AUG 03 2006

DIV. OF OIL, GAS & MINING

**A CULTURAL RESOURCE INVENTORY OF SIX WELLS FOR  
THE HOUSTON EXPLORATION COMPANY,  
BONANZA #5-26-9-24, #15-26-9-24, #16-26-9-24, #1-27-9-24, #7-27-9-24, #9-27-9-24,  
AND THEIR ASSOCIATED ACCESS ROADS AND PIPELINES,  
UINTAH COUNTY, UTAH**

by

**Angela L. Garrison  
Archaeologist**

and

**Ann S. Polk  
Senior Archaeologist**

Prepared for:

**Rocky Mountain Consulting, Inc.  
290 South 800 East  
Vernal, Utah 84078**

Prepared by:

**Sagebrush Consultants, L.L.C.  
3670 Quincy Avenue, Suite 203  
Ogden, Utah 84403**

**Under the Authority of Cultural Resource Use Permit No. 04UT54630  
and  
Utah State Antiquities Permit No. U-05-SJ-0899b**

**Cultural Resource Report No. 1444**

**October 6, 2005**

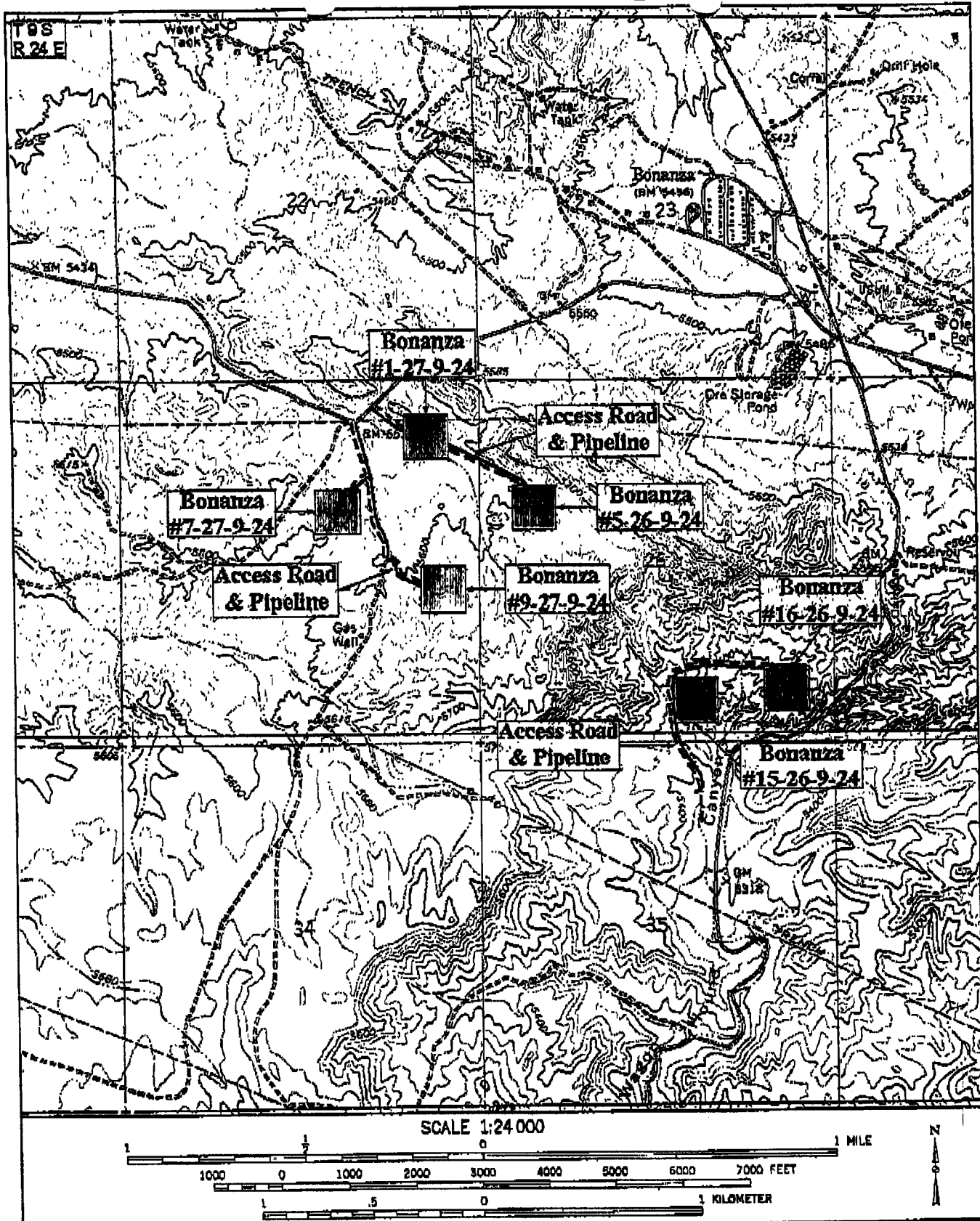


Figure 1. Location of proposed Bonanza wells in section 26 and 27 and their associated access roads and pipelines. Taken from USGS 7.5' Quadrangle Bonanza, Utah (1968) and Southam Canyon, Utah (1968).

## ENVIRONMENT

The project area lies in the dissected tablelands just north of the White River, to the southwest of Bonanza. Soils in this area are poorly developed and range from extremely sandy to rocky in nature. Sediments consist of very fine grained, buff colored sandy silt which contains a moderate amount of Pleistocene gravels and angular rock fragments of quartzite, mudstone, blocky chert, limestone and sandstone. The elevation of the area surveyed ranges between 5360 and 5660 feet a.s.l. Vegetation is predominantly sagebrush community species at the lower elevations and pinyon-juniper community species at the higher elevations. Noted species include pinyon, juniper, sagebrush, prickly pear cactus, greasewood, rabbitbrush, and various other desert species. The nearest permanent water source in the area is the White River located to the south approximately 1.2 miles from the southern boundary of the project area. Numerous seasonal drainages and washes are present throughout the general area. Natural disturbance in the area consists of arroyo cutting, sheetwash and aeolian erosion. Cultural disturbance includes grazing, and the construction of well pads, pipelines and access roads.

## METHODOLOGY

An intensive cultural resource inventory was carried out for the proposed wells Bonanza #5-26-9-24, #15-26-9-24, #16-26-9-24, #1-27-9-24, #7-27-9-24, #9-27-9-24, and their associated access roads and pipelines. The project area consists of six 40,469 m<sup>2</sup> (10 ac) parcels of land 201-by-201 m (660-by-660 ft) centered on the proposed well heads, and 3.21 km (1.99 mi) of corridors in which the proposed access road and pipeline parallel each other. The well locations were inventoried in parallel transects spaced no more than 15 m (50 ft) apart. The corridors shared by both the pipelines and the access roads, were walked in parallel transects spaced 15m (50 ft) apart, to cover a width of 45 m (150 ft). The area surveyed during this cultural resource inventory, including well pads, access roads and pipelines, totaled 38.95 ha (96.27 ac). The entire project area lies on lands administered by the BLM, Vernal Field Office.

## RESULTS

A cultural resource inventory was carried out for the proposed wells Bonanza #5-26-9-24, #15-26-9-24, #16-26-9-24, #1-27-9-24, #7-27-9-24, #9-27-9-24, and their associated access roads and pipelines. One isolated find (IF-1), located in the southeast corner of well Bonanza #16-26-9-24, was identified as a result of this inventory (Figure 2).

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

5. Lease Serial No.  
**UTSL-071725C**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.  
**Thurston 15-27-9-24**

9. API Well No.

10. Field and Pool, or Exploratory

11. Sec., T. R. M. or Blk. and Survey or Area  
**Sec. 27, T. 9S, R. 24E SLB&M**

12. County or Parish  
**Uintah**

13. State  
**UT**

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator  
**Thurston Energy Operating Comapny**

3a. Address **PO BOX 240  
Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-789-0968**

4. Location of Well (Report location clearly and in accordance with any State requirements.)  
At surface **6530 SW 683' FSL & 1,797' FEL SWSE 40.001503**  
At proposed prod. zone **same as above 4429 2724 -109.196 445**

14. Distance in miles and direction from nearest town or post office\*  
**41.8 miles south of Vernal, UT**

15. Distance from proposed\*  
location to nearest  
property or lease line, ft.  
(Also to nearest drig. unit line, if any) **683'**

16. No. of acres in lease  
**400**

17. Spacing Unit dedicated to this well  
**40**

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft. **1,100'**

19. Proposed Depth  
**8,000**

20. BLM/BIA Bond No. on file  
**UTB-000181**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5,642' GL**

22. Approximate date work will start\*  
**05/01/2007**

23. Estimated duration  
**30 Days**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature

Title  
**Agent**

Name (Printed/Typed)

**Ginger Stringham**

Date

**04/24/2007**

Approved by (Signature)

Title

Name (Printed/Typed)

**BRADLEY G. HILL**

Date

**05-03-07**

Office  
**ENVIRONMENTAL MANAGER**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.


\*(Instructions on page 2)

Federal Approval of this  
Action is Necessary

RECEIVED  
APR 25 2007  
DIV. OF OIL, GAS & MINING

THURSTON ENERGY OPERATING COMPANY

NOTES:

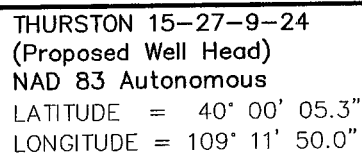
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TO CERTIFY THAT THE ABOVE P  
ED FROM FIELD NOTES OF SA  
ME OR UNDER MY SUPERVISI  
THE ARE TRUE AND CORRECT  
OWLEDGE AND BELIEF  
KOLBY R.  
KAY

*Kolby R. Kay*

REGISTERED LAND SURVEYOR  
REGISTRATION No. 162251  
STATE OF UTAH

DATE SURVEYED: 10-19-05	SURVEYED BY: K.R.K.	SHEET 2 OF 10
DATE DRAWN: 10-29-05	DRAWN BY: J.R.S.	
SCALE: 1" = 1000'	Date Last Revised:	



BASIS OF ELEVATION IS BENCH MARK 46 EAM LOCATED  
IN THE SW 1/4 OF SECTION 23, T9S, R24E, S.L.B.&M.  
THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE  
BONANZA 7.5 MIN. QUADRANGLE AS BEING 5550'.



# **Ten Point Plan**

**Thurston Energy Operating Company**

**Thurston 15-27-9-24**

**Surface Location SW  $\frac{1}{4}$  SE  $\frac{1}{4}$**

**Section 27, T.9S. R.24E.**

# **1. Surface Formation**

Green River

## **2. Estimated Formation Tops and Datum:**

Formation		Depth	Datum
Green River		Surface	+5,638' G.L.
Birds Nest	Water	1,600	+4,038'
Wasatch	Oil/Gas	3,888	+1,750'
Mesaverde	Oil/Gas	6,088	-450'
TD		8,000	-2,362'

A 12 ¼" hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest. All fresh water and oil and gas bearing zones shall be protected by casing and cement program.

## **3. Producing Formation Depth:**

Formation objectives include the Wasatch, Mesaverde and there sub-members.

## **4. Proposed Casing:**

Hole Size	Casing Size	Weight/FT	Grade	Coupling & Tread	Casing Depth	New/Used
12 ¼"	9 5/8"	36#	J-55	STC	2000	NEW
7 7/8"	5 ½"	17#	N-80	LTC	T.D.	NEW

## **Cement Program:**

**The Surface Casing will be cemented to the Surface as follows:**

**Note: Cement amounts shown with 50% excess.**

Casing Depth	Casing Size	Cement Type	Cement Amounts	Cement Yield	Water Mix	Cement Weight
Lead: 0-1,600'	9 5/8	Premium "5" 16% Gel 10 #/sk Gilsonite 3% Salt 3 #/sk GB3 0.25 #/sk Flocele	197 sks. +/-	3.82ft³/sk	23	11.0 ppg
Tail: 1,600-2,000'	9 5/8	Class "G" 2% Calcium Chloride 0.25 #/sk Flocele	159 sks. +/-	1.18ft³/sk	5	15.6 ppg
Top Job:	9 5/8	Class "G" 4% Calcium Chloride 0.25 #/sk Flocele	10-200 sks. +/-	1.15ft³/sk	5	15.8 ppg

**Production casing will be cemented to 1,800' or higher as follows:**

**Note: Tail should be 200' above the Wasatch.**

**Note: Cement amounts shown with 25% excess.**

<u>Casing</u> <u>Depth</u>	<u>Casing</u> <u>Size</u>	<u>Cement</u> <u>Type</u>	<u>Cement</u> <u>Amounts</u>	<u>Cement</u> <u>Yield</u>	<u>Water</u> <u>Mix</u>	<u>Cement</u> <u>Weight</u>
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Lead:

1,800'-3,688'	5 ½	Premium Lite II 0.05 #/sk Static Free 0.25 #/sk Cello Flake 5 #/sk KOL Seal 0.005 gps FP-6L 8% Gel 0.5% R-3 0.5% FL-52	128 sks +/-	3.38ft³/sk	20.52	11.0 ppg
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Tail:

3,688'-8,000'	5 ½	Class "G" 0.05% Static Free 10% NACL 0.1% R-3 2% Gel	713 sks +/-	1.31ft³/sk	5.91	14.3 ppg
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**5. BOP and Pressure Containment Data:**

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. An upper kelly cock to the required pressure rating with a handle available shall be employed.

The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

**6. Mud Program:**

<u>Interval</u>	<u>Mud weight</u> <u>lbs./gal.</u>	<u>Viscosity</u> <u>Sec./OT.</u>	<u>Fluid Loss</u> <u>ML/30 Mins.</u>	<u>Mud Type</u>
0-2000	Air/Clear Water	-----	No Control	Water/Gel
2000-T.D.	8.4-9.4	30-45	8-10	LSND

water based mud system

**Note:** Mud weights may exceed 9.4 due to solids increasing at or near T.D.

Increased weights are not required to control formation pressure.

Operator will have on location sufficient mud and weight material to increase mud weight to 9.4 at any time while drilling the subject well. Visual mud monitoring incorporating pit level indicators shall be used.

**7. Testing, Coring, Sampling and Logging:**

- a) DST: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Mud Sampling: Every 10' from 2000' to T.D.
- d) Logging: 

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

**8. Abnormalities (including sour gas):**

Based on off set wells anticipated bottom hole pressure will be less than 3000 psi. No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H<sub>2</sub>S.

**9. Other facets of the proposed operation:**

**Off Set Well information:**

**Temporarily Abandon Wells:**

Cartwright #2

**Abandon Wells:**

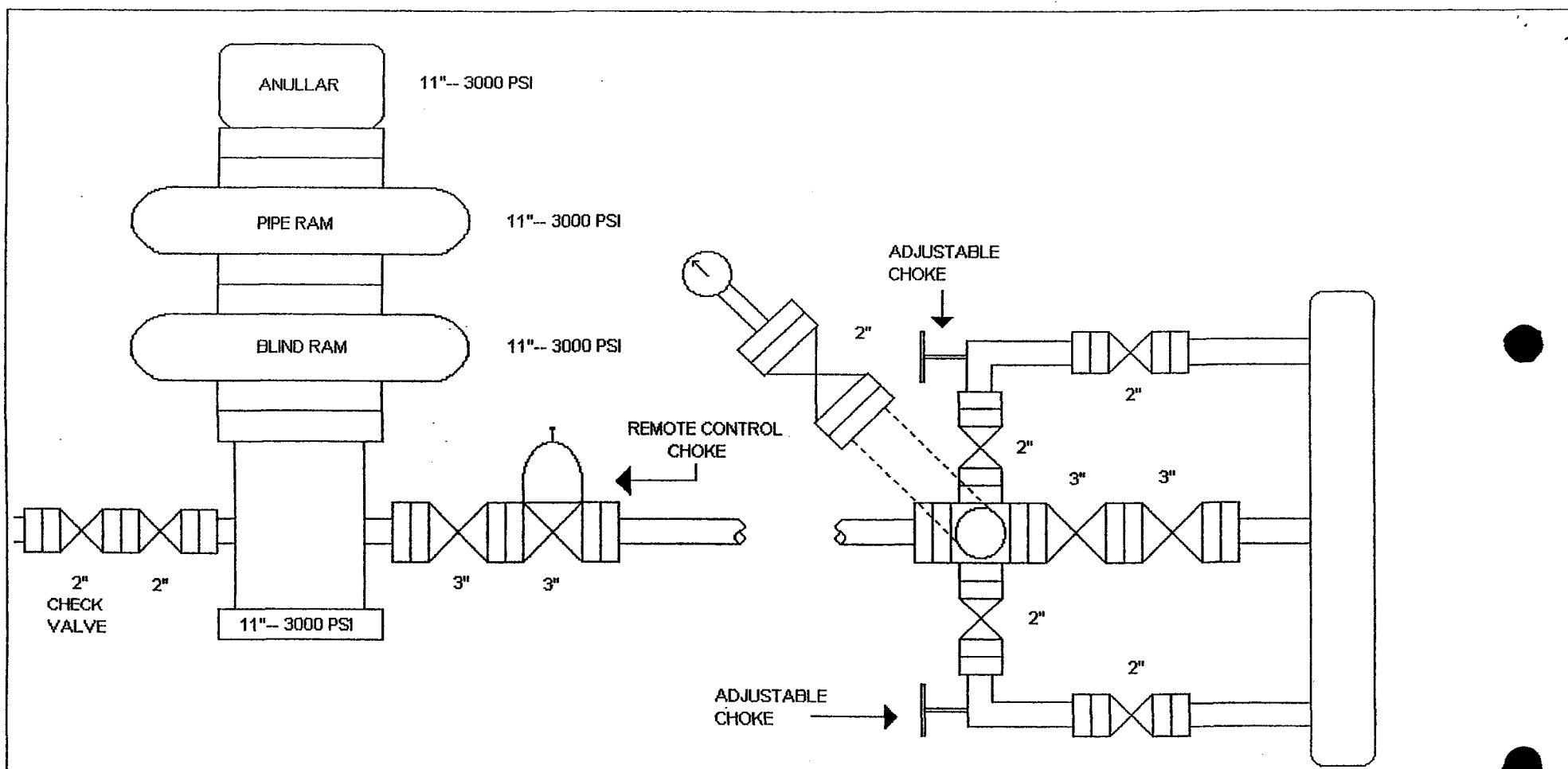
Dirty Devil #22-27  
Dirty Devil #U 22-26A  
Bonanza #3

**Shut in Well:**

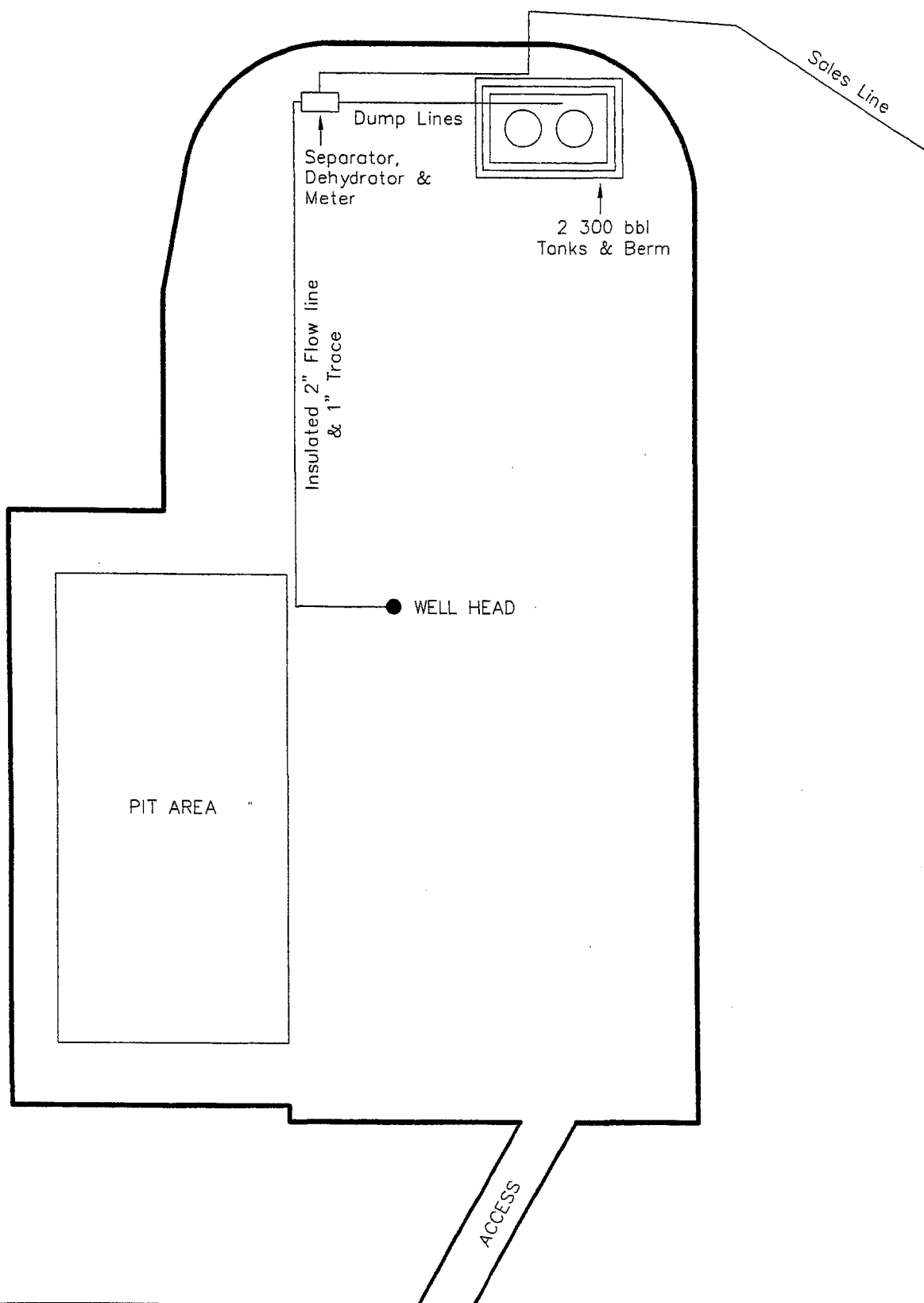
Bonanza #2D-27

**10. Drilling schedule:**

The anticipated starting date is 5/1/07. Duration of operations is expected to be 30 days.



# TYPICAL PRODUCTION LAYOUT



**THURSTON ENERGY OPERATING COMPANY**

**13 POINT SURFACE USE PLAN**

**FOR WELL**

**THURSTON 15-27-9-24**

**LOCATED IN SW  $\frac{1}{4}$  SE  $\frac{1}{4}$**

**SECTION 27, T.9S, R24E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**LEASE NUMBER: SC-0717250C**

**SURFACE OWNERSHIP: FEDERAL**

**1. Existing Roads:**

**Thurston Energy Operating CO  
Thurston #15-27-9-24  
Sec. 27, T9S, R24E**

**Starting in Vernal, Utah:**

**Proceed in an easterly, then southerly direction from Vernal, Utah along US Highway 40 approximately 3.3 miles to the junction of State Highway 45; exit right and proceed in a southerly direction along State Highway 45 approximately 36 miles to the junction of County B road 3410. Exit right and proceed in a westerly direction along County B road 3410 approximately 1.7 miles to the junction of a County D road; exit left and proceed in a southerly direction along the County D road approximately 0.7 miles to the proposed access road; follow road flags in a southeasterly direction approximately 520 feet to the proposed location.**

**Total distance from Vernal, Utah to the proposed well location is approximately 41.8 miles.**

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

**2. Planned access road**

**The proposed access road will be approximately 520' of new construction on lease. The road**

**will be graded once per year minimum and maintained.**

<b>A) Approximate length</b>	<b>520 ft</b>
<b>B) Right-of-Way width</b>	<b>30 ft</b>
<b>C) Running surface</b>	<b>18 ft</b>
<b>D) Surface material</b>	<b>Native soil</b>
<b>E) Maximum grade</b>	<b>5%</b>
<b>F) Fence crossing</b>	<b>None</b>
<b>G) Culvert</b>	<b>None</b>
<b>H) Turnouts</b>	<b>None</b>
<b>I) Major cuts and fills</b>	<b>None</b>
<b>J) Road Flagged</b>	<b>Yes</b>
<b>K) Access road surface ownership</b>	<b>Federal</b>
<b>L) All new construction on lease</b>	<b>Yes</b>
<b>M) Pipe line crossing</b>	<b>One</b>

Please see the attached location plat for additional details.

**An off lease Right-of-Way will not be required.**

All surface disturbances for the road and location will be within the lease boundary.

**3. Location of existing wells**

The following wells are located within a one-mile radius of the location site.

<b>A) Producing well</b>	<b>None</b>
<b>B) Water well</b>	<b>None</b>
<b>C) Abandoned well</b>	
<b>Dirty Devil #22-27</b>	
<b>Dirty Devil #U 22-26A</b>	
<b>Bonanza #3</b>	
<b>D) Temp. abandoned well</b>	
<b>Cartwright #2</b>	
<b>E) Disposal well</b>	<b>None</b>
<b>F) Drilling /Permitted well</b>	
<b>Thurston #5-27-9-24</b>	



**Bonanza 1-27-9-24**  
**Bonanza 7-27-9-24**  
**Bonanza 9-27-9-24**  
**Bonanza 15-26-9-24**  
**Bonanza 5-26-9-24**  
**Bonanza 8B-27**  
**Bonanza 16A-27**  
**Bonanza 4-35**  
**Bonanza 12-35**  
**Southman Canyon 9-24-41-34**

**G) Shut in wells**

**Bonanza 2D-7**

**H) Injection well** **None**

**I) Monitoring or observation well**  
**None**

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Carlsbad Canyon** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Carlsbad Canyon**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

**Approximately 4,380' of 3" steel gas gathering surface pipeline would be constructed on Federal Lands. (Due to bedrock sandstone, shallow soils and a tie-in with a surface gathering system the line will not be buried.) The pipeline will tie into an existing pipeline in Sec 27, T9S, R24E. The pipeline will be strung and boomed to the northwest of the location and parallel to the access road. A temporary construction width of 30' will be required for one week and a permanent width of 15' will be required for the right-of-way.**

**An off lease Right-of-Way will be required for approximately 2,250' +/-.**

Please see the attached location diagrams for pipeline location. There will be no additional surface disturbances required for the installation of a gathering line.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter.

Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

**Water for drilling and cementing will come from a municipal source at 355 S 1000 E in Vernal.**

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **12 ft.** deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit or, if deemed necessary, a storage tank will be used for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

A) Pad length	345 ft
B) Pad width	260 ft
C) Pit depth	12 ft
D) Pit length	150 ft
E) Pit width	75 ft
F) Max cut	24.4 ft
G) Max fill	17.7 ft
H) Total cut yds.	15,810 cu yds
I) Pit location	Southeast end
J) Top soil location	East end
K) Access road location	East end
L) Flare Pit	corner C

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

A) Thirty nine inch net wire shall

be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **1,500** cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. **The topsoil will be used in the interim reclamation.**

When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. **The unused portion of the location (the area outside the dead men) will be reclaimed and re-contoured.**

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified. And left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Interim Seed Mix:

**4#/acre Needle & Thread Grass**  
**4#/acre Crested Wheat Grass**  
**4#/acre Indian Rice Grass**

11. Surface ownership:

<b>Access road</b>	<b>Federal</b>
<b>Location</b>	<b>Federal</b>
<b>Pipe line</b>	<b>Federal</b>

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of Sagebrush. Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

**The nearest water is the White River located approximately 3 miles to the South.**

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction  
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion

Prior to moving on the drilling rig.

- c) Spud notice  
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing  
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests  
At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice  
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit outside the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

Ginger Stringham  
Paradigm Consulting  
Vernal, UT 84078

Office 435-789-4162

Fax 435-789-8188  
Cellular 435-790-4163

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

**B) Certification:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by Thurston Energy Operating Company and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

**Self Certification Statement**

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

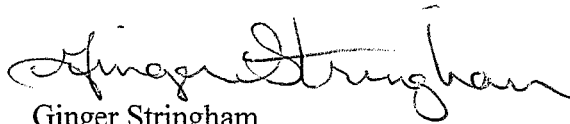
Please be advised that Thurston Energy Operating Company is considered to be the operator of the following well:

Thurston 15-27-9-24  
Section 27, T. 9S, R24E  
SW ¼ of the SE ¼  
Lease SL-0717250-C  
Uintah County, Utah

Thurston Energy Operating Company is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UTB-000181 provides state-wide bond coverage on all Federal Lands.

Date 4/24/07

  
Ginger Stringham  
Paradigm Consulting

**Onsite Dates: 01/05/06**

### **Statement of use of Hazardous Materials**

No chemical(s) from the EPA's consolidated list of Chemicals Subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 CFR 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

Paradigm Consulting, INC  
Ginger Stringham, Agent for  
Thurston Energy Operating Company  
PO BOX 790203  
Vernal, UT 84079

435-789-4162 Office  
435-789-8188 Fax

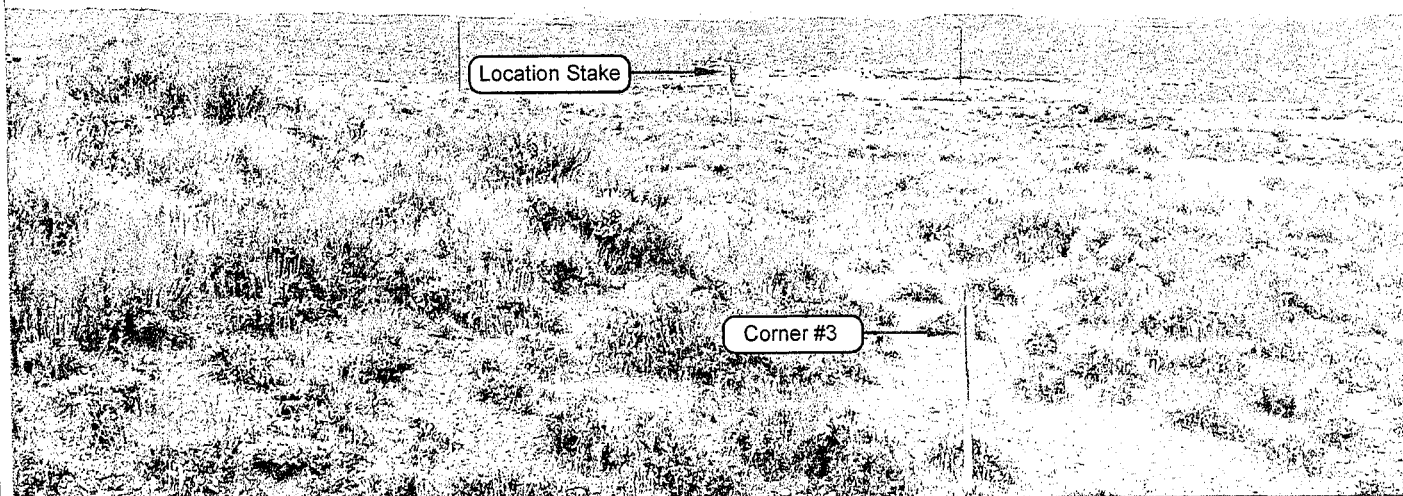


PHOTO VIEW: FROM CORNER #3 TO LOCATION STAKE

CAMERA ANGLE: WESTERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHEASTERLY

**THURSTON ENERGY OPERATING COMPANY**

Thurston 15-27-9-24  
SECTION 27, T9S, R24E, S.L.B.&M.  
683' FSL & 1797' FEL

**LOCATION PHOTOS**

TAKEN BY: K.R.K.

DRAWN BY: M.W.W.

DATE TAKEN: 10-19-05

DATE DRAWN: 11-02-05

REVISED:

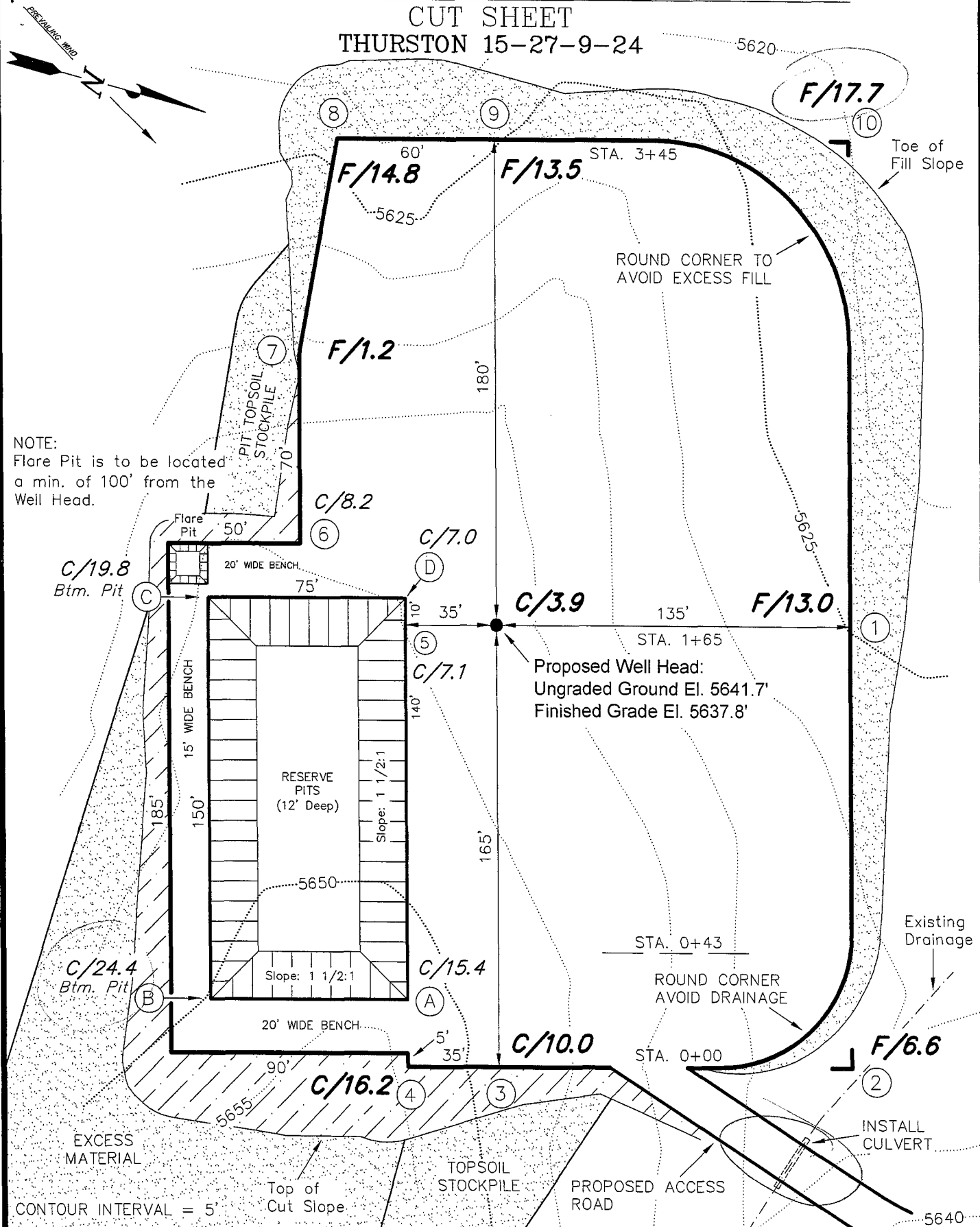
Timberline Land Surveying, Inc.  
38 West 100 North Vernal, Utah 84078  
(435) 789-1365

SHEET  
1  
OF 10



THURSTON ENERGY OPERATING COMPANY

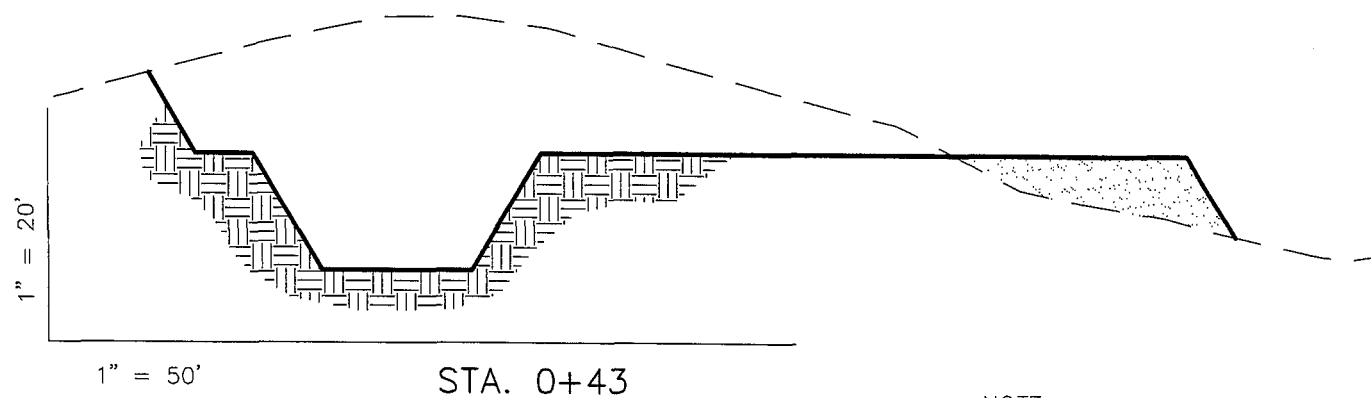
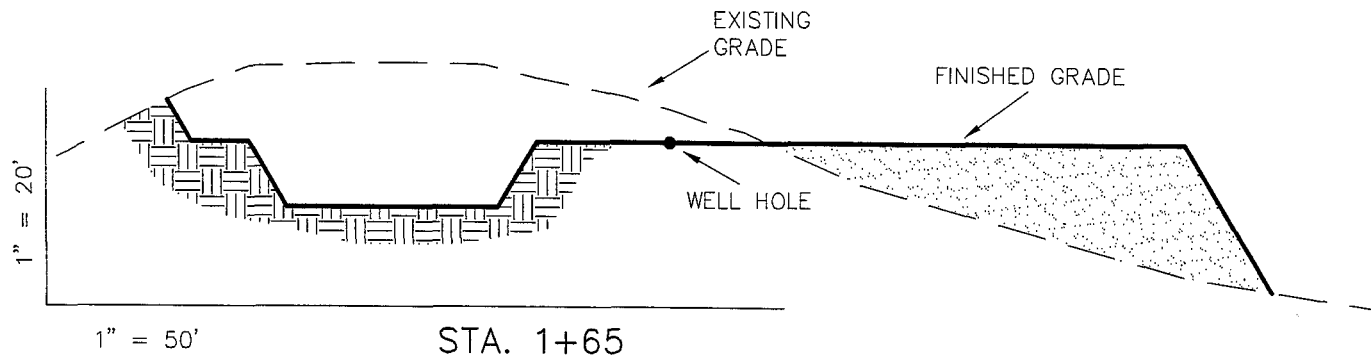
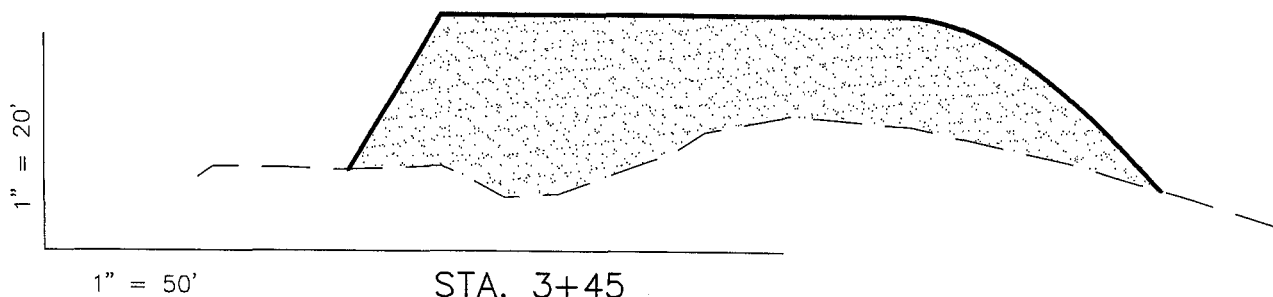
CUT SHEET  
THURSTON 15-27-9-24



Section 27, T9S, R24E, S.L.B.&M.		Qtr/Qtr Location: SW SE		Footage Location: 683' FSL & 1797' FEL	
Date Surveyed: 10-19-05	Date Drawn: 11-2-05	Date Last Revision:	<i>Timberline</i> (435) 789-1365 <i>Land Surveying, Inc.</i> 38 WEST 100 NORTH VERNAL, UTAH 84078		SHEET 3 OF 10
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'			

# THURSTON ENERGY OPERATING COMPANY

## CROSS SECTIONS THURSTON 15-27-9-24



NOTE:  
UNLESS OTHERWISE NOTED  
ALL CUT/FILL SLOPES ARE  
AT 1.5:1

### REFERENCE POINTS

185' NORTHWESTERLY = 5621.8'  
221' NORTHWESTERLY = 5621.6'  
260' SOUTHWESTERLY = 5613.6'  
288' SOUTHWESTERLY = 5611.9'

Pit overburden is included in pad cut.

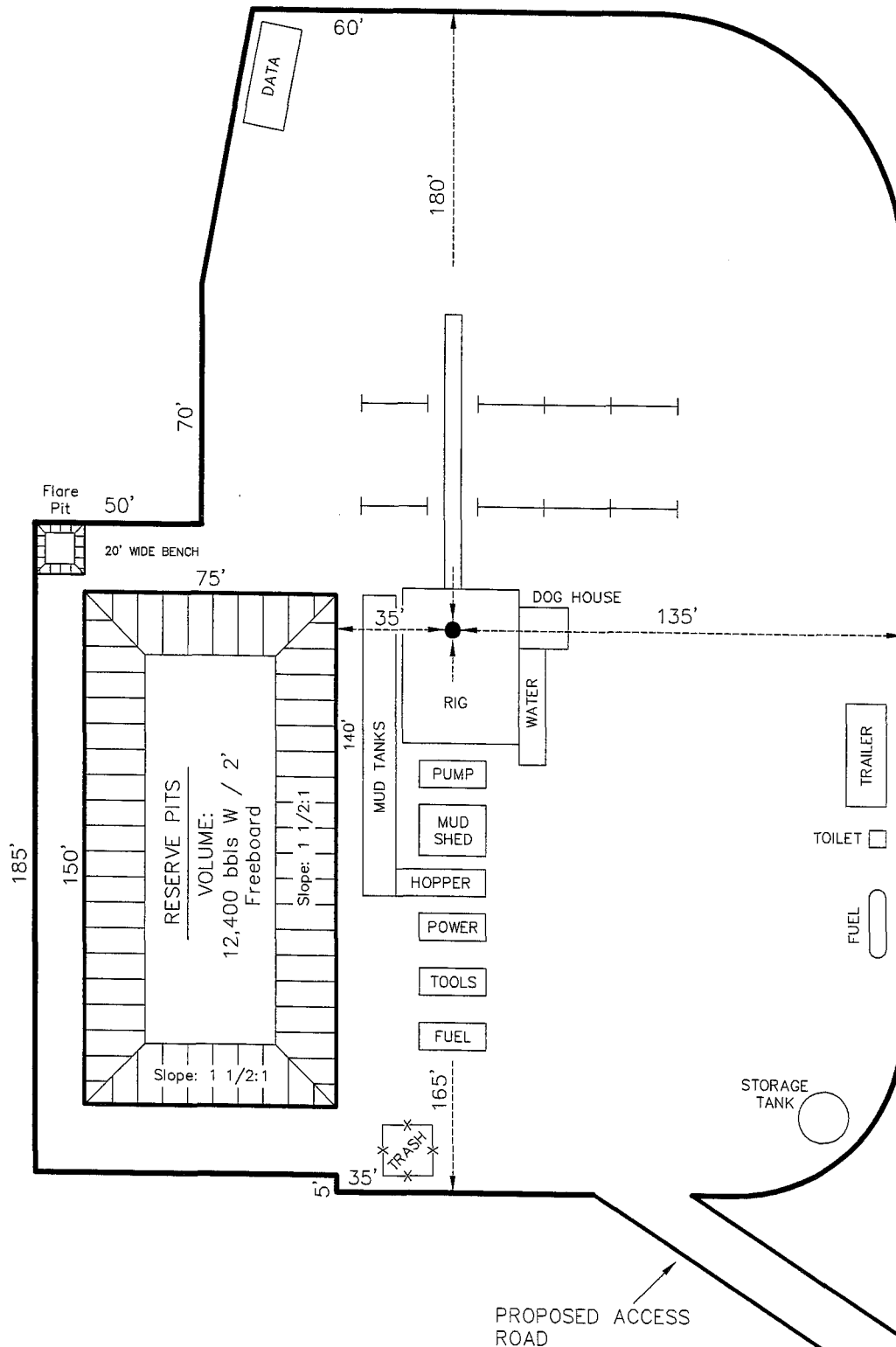
ESTIMATED EARTHWORK QUANTITIES (No shrink or swell adjustments have been used) (Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	12,470	14,140	Topsoil is not included in Pad Cut	-1,670
PIT	3,340	0		3,340
TOTALS	15,810	14,140	1,500	1,670

Excess Material after Pit Rehabilitation = 0 Cu. Yds.

Section 27, T9S, R24E, S.L.B.&M.		Qtr/Qtr Location: SW SE	Footage Location: 683' FSL & 1797' FEL
Date Surveyed: 10-19-05	Date Drawn: 11-2-05	Date Last Revision:	<b>Timberline</b> Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078 (435) 789-1365
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'	
			SHEET 4 OF 10

# THURSTON ENERGY OPERATING COMPANY

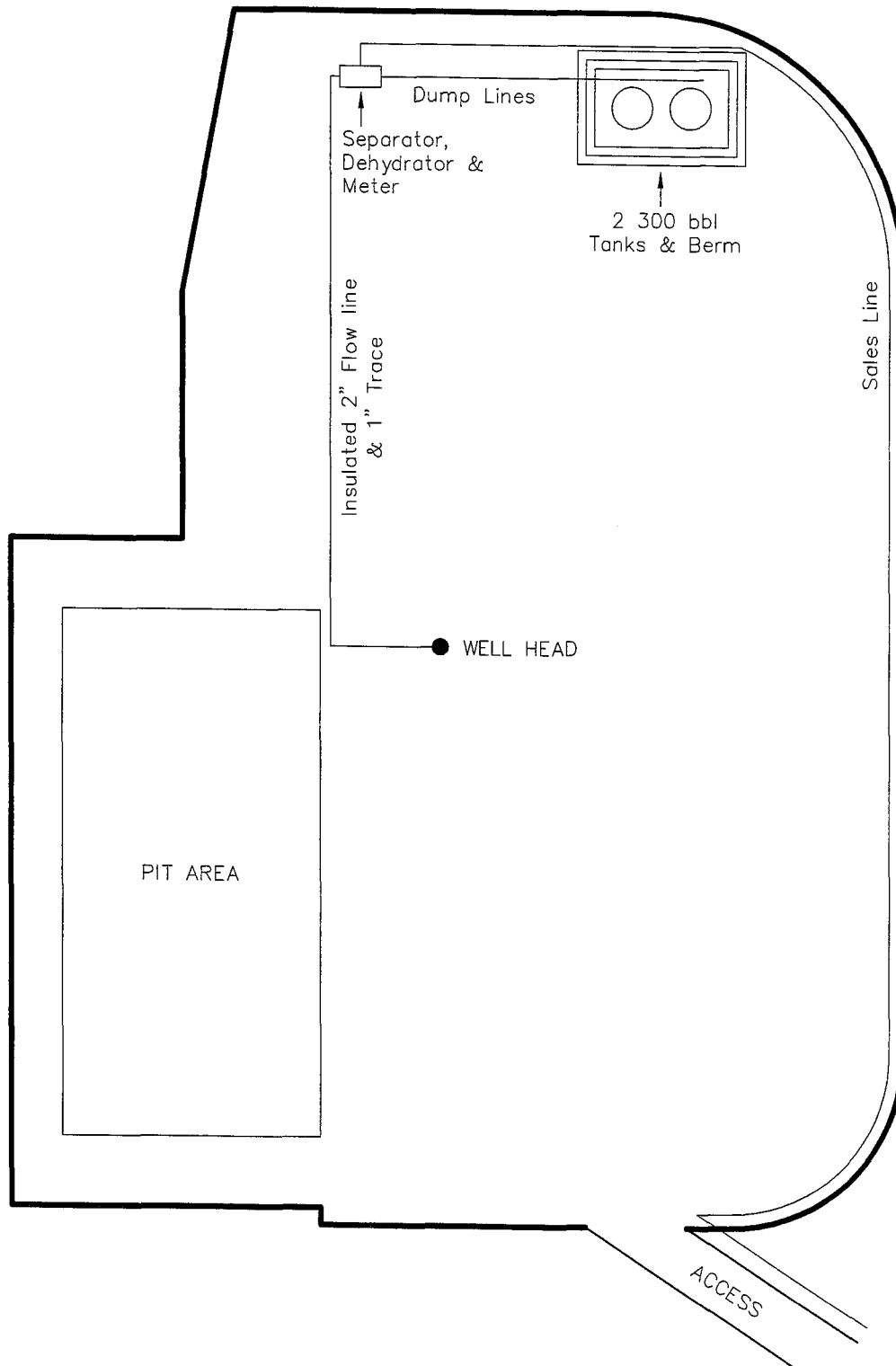
## TYPICAL RIG LAYOUT THURSTON 15-27-9-24



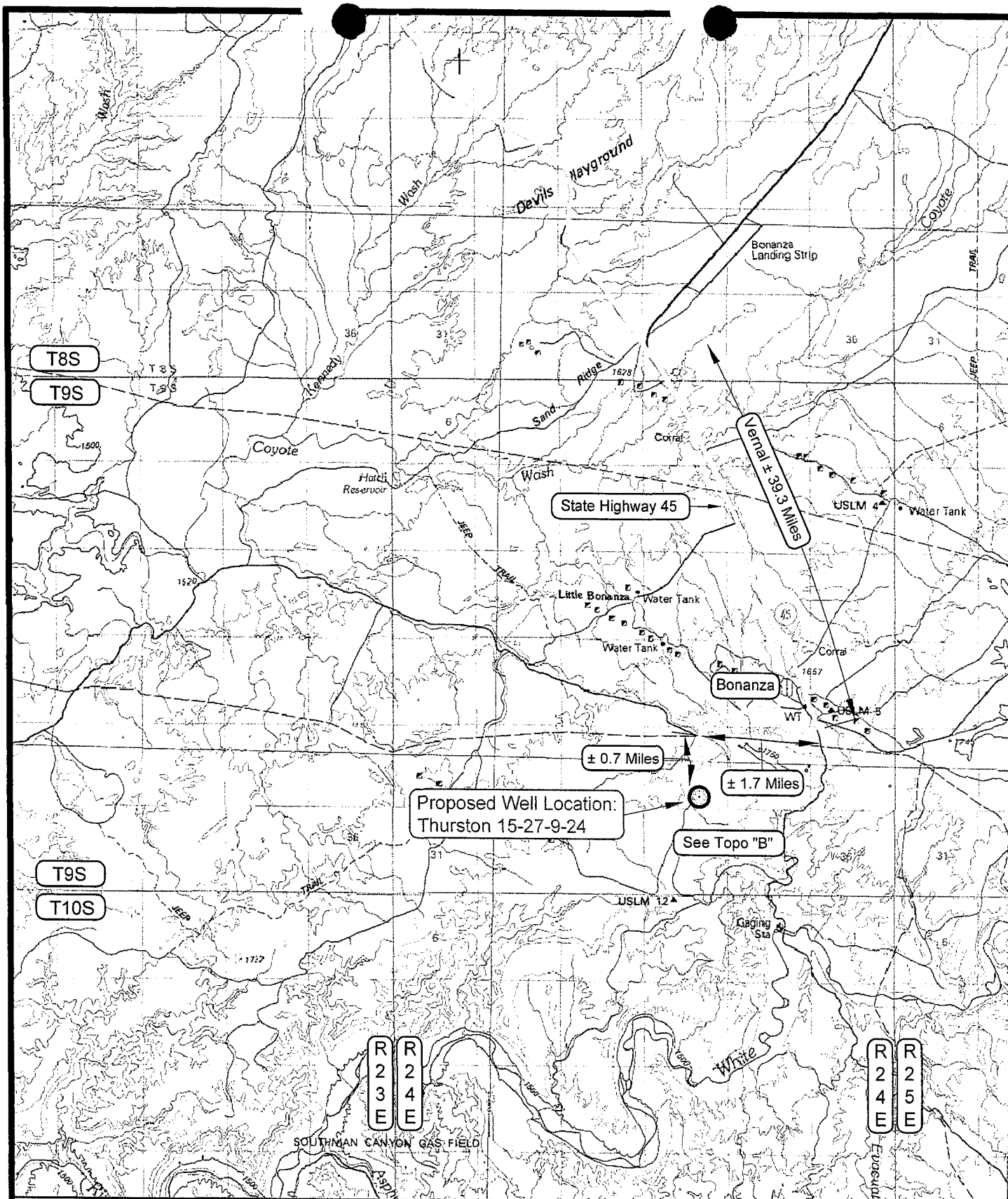
Section 27, T9S, R24E, S.L.B.&M.		Qtr/Qtr Location: SW SE	Footage Location: 683' FSL & 1797' FEL
Date Surveyed: 10-19-05	Date Drawn: 11-2-05	Date Last Revision:	<b>Timberline</b> (435) 789-1365
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'	<b>Land Surveying, Inc.</b>
38 WEST 100 NORTH VERNAL, UTAH 84078			<b>SHEET 5 OF 10</b>

# THURSTON ENERGY OPERATING COMPANY

## TYPICAL PRODUCTION LAYOUT THURSTON 15-27-9-24



Section 27, T9S, R24E, S.L.B.&M.		Qtr/Qtr Location: SW SE	Footage Location: 683' FSL & 1797' FEL
Date Surveyed: 10-19-05	Date Drawn: 11-2-05	Date Last Revision:	<i>Timberline</i> (435) 789-1365
Surveyed By: K.R.K.	Drawn By: J.R.S.	Scale: 1" = 50'	<i>Land Surveying, Inc.</i>
38 WEST 100 NORTH VERNAL, UTAH 84078			SHEET 6 OF 10



# LEGEND

- = PROPOSED WELL LOCATION
- = EXISTING ROAD
- = EXISTING ROAD (TO BE IMPROVED)
- = PROPOSED ACCESS ROAD
- = COUNTY ROAD CLASS & NUMBER

## TOPOGRAPHIC MAP "A"

SCALE: 1:100,000

DRAWN BY: M.W.W.

DATE SURVEYED: 10-19-05

DATE DRAWN: 11-02-05

REVISED:

## THURSTON ENERGY OPERATING COMPANY

Thurston 15-27-9-24

SECTION 27, T9S, R24E, S.L.B.&M.

683' FSL & 1797' FEL

Timberline Land Surveying, Inc.

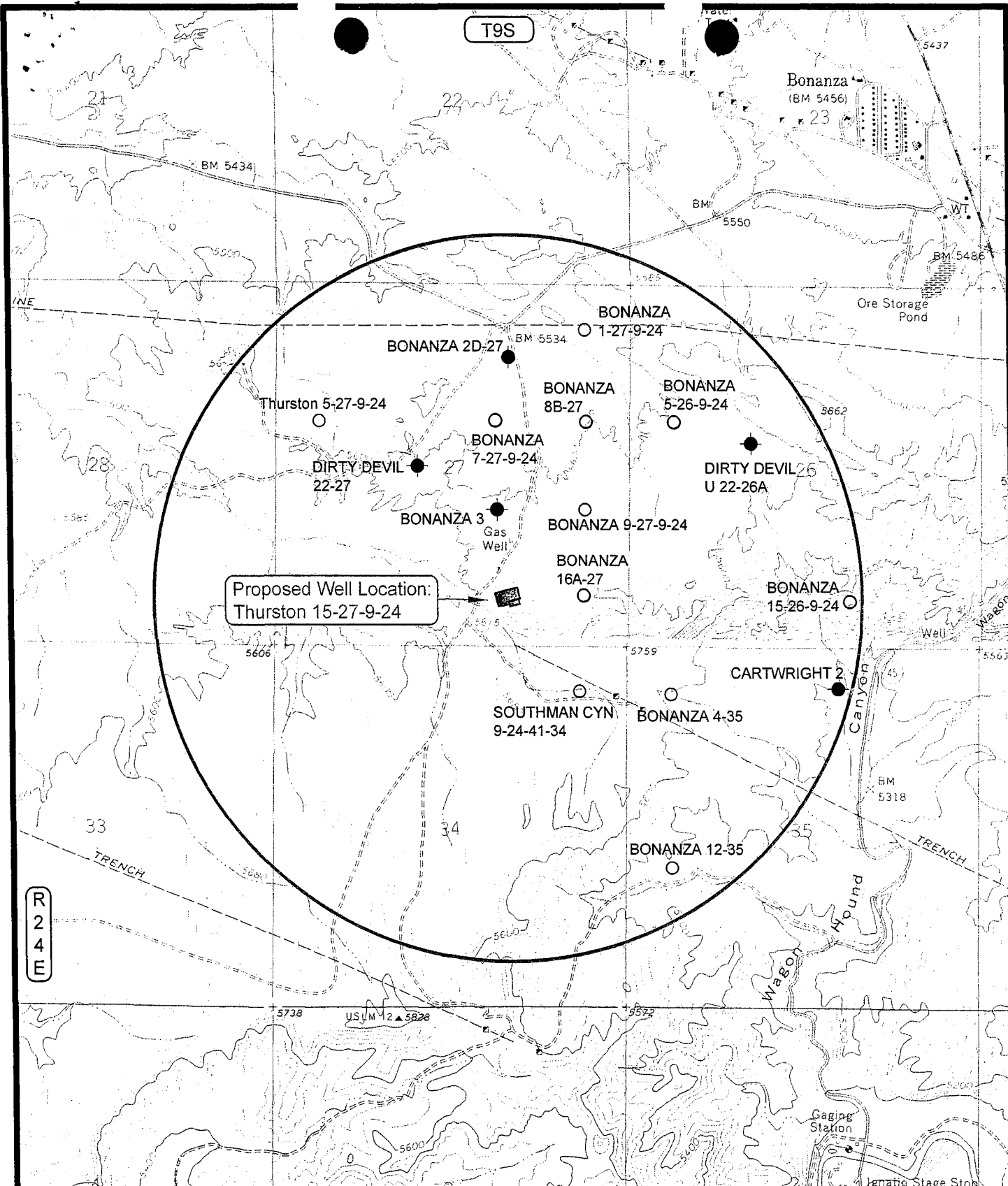
38 West 100 North Vernal, Utah 84078  
(435) 789-1365

SHEET

7

OF 10





R  
2  
4  
E

### LEGEND

- |                    |                                |
|--------------------|--------------------------------|
| ⊘ = DISPOSAL WELL  | ⊘ = WATER WELL                 |
| ● = PRODUCING WELL | ● = ABANDONED WELL             |
| ● = SHUT IN WELL   | ● = TEMPORARILY ABANDONED WELL |
| ○ = PROPOSED WELL  | ⊕ = ABANDONED LOCATION         |

TOPOGRAPHIC MAP "C"

DATE SURVEYED: 10-19-05

DATE DRAWN: 11-02-05

SCALE: 1" = 2000'

DRAWN BY: M.W.W.

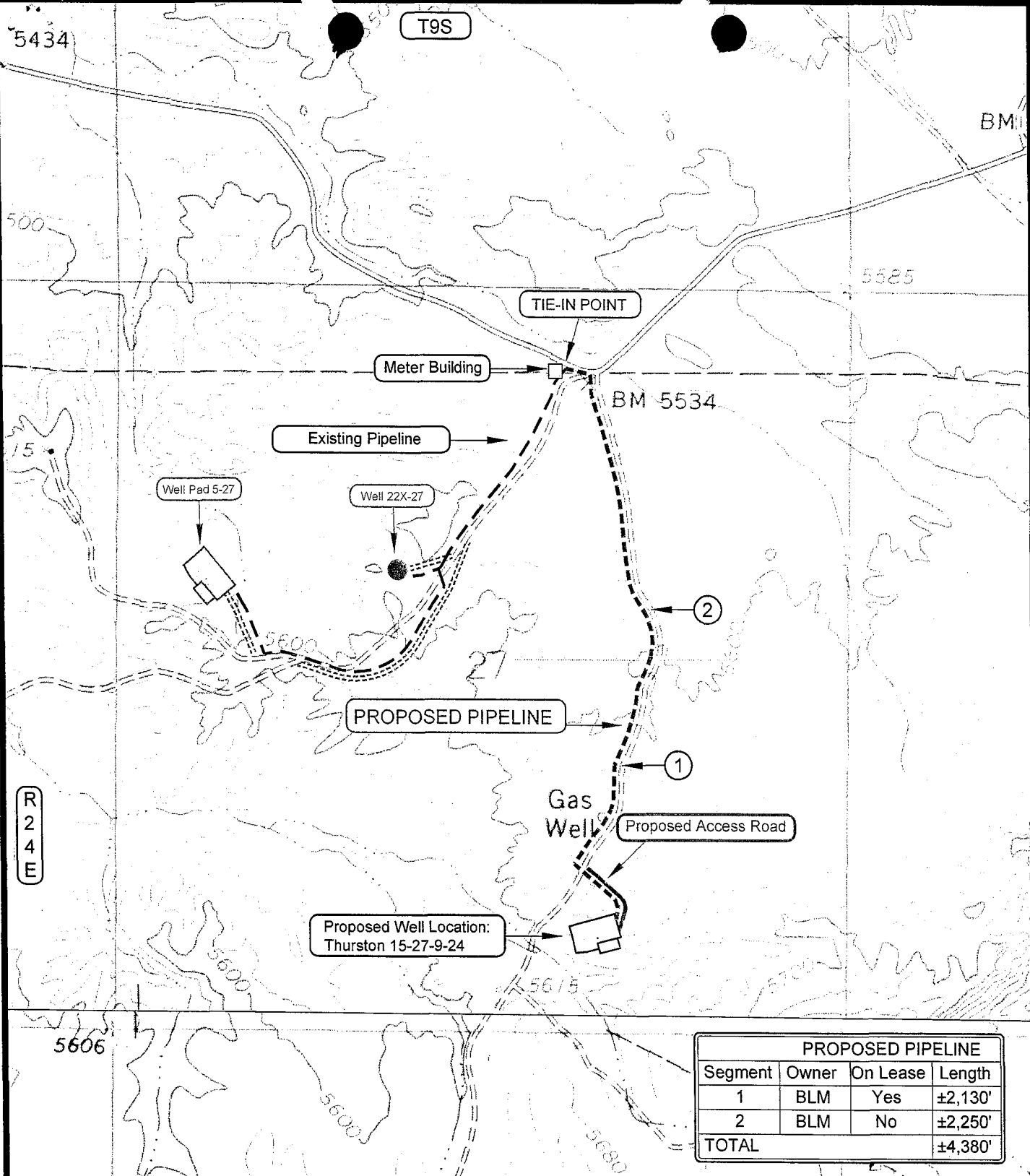
REVISED:

### THURSTON ENERGY OPERATING COMPANY

**Thurston 15-27-9-24**  
**SECTION 27, T9S, R24E, S.L.B.&M.**  
**683' FSL & 1797' FEL**

**Timberline Land Surveying, Inc.**  
 38 West 100 North Vernal, Utah 84078  
 (435) 789-1365

**SHEET**  
**9**  
**OF 10**



PROPOSED PIPELINE			
Segment	Owner	On Lease	Length
1	BLM	Yes	±2,130'
2	BLM	No	±2,250'
TOTAL			±4,380'

APPROXIMATE PIPELINE LENGTH = ± 4,380 Feet

**LEGEND**

- = OTHER PIPELINE
- - - - = PROPOSED PIPELINE
- = PROPOSED ACCESS ROAD
- = LEASE LINE AND / OR PROPERTY LINE

**THURSTON ENERGY OPERATING COMPANY**

**Thurston 15-27-9-24**  
**SECTION 27, T9S, R24E, S.L.B.&M.**  
**683' FSL & 1797' FEL**

**TOPOGRAPHIC MAP "D"**

DATE SURVEYED: 10-19-05  
 DATE DRAWN: 11-02-05  
 REVISED: 05-25-06 B.J.Z.

SCALE: 1" = 1000'      DRAWN BY: M.W.W.

**Timberline Land Surveying, Inc.**  
 38 West 100 North    Vernal, Utah 84078  
 (435) 789-1365

**SHEET**  
**10**  
**OF 10**



**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/25/2007

API NO. ASSIGNED: 43-047-37711

WELL NAME: THURSTON 15-27-9-24

OPERATOR: THURSTON ENERGY ( N2790 )

PHONE NUMBER: 435-789-0968

CONTACT: BILL RYAN

PROPOSED LOCATION:

SWSE 27 090S 240E

SURFACE: 0683 FSL 1797 FEL

BOTTOM: 0683 FSL 1797 FEL

COUNTY: Uintah

LATITUDE: 40.00150 LONGITUDE: -109.1965

UTM SURF EASTINGS: 653956 NORTHINGS: 4429272

FIELD NAME: BONANZA ( 555 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: SL-0717250 C

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. UTB-000181 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. T75376 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

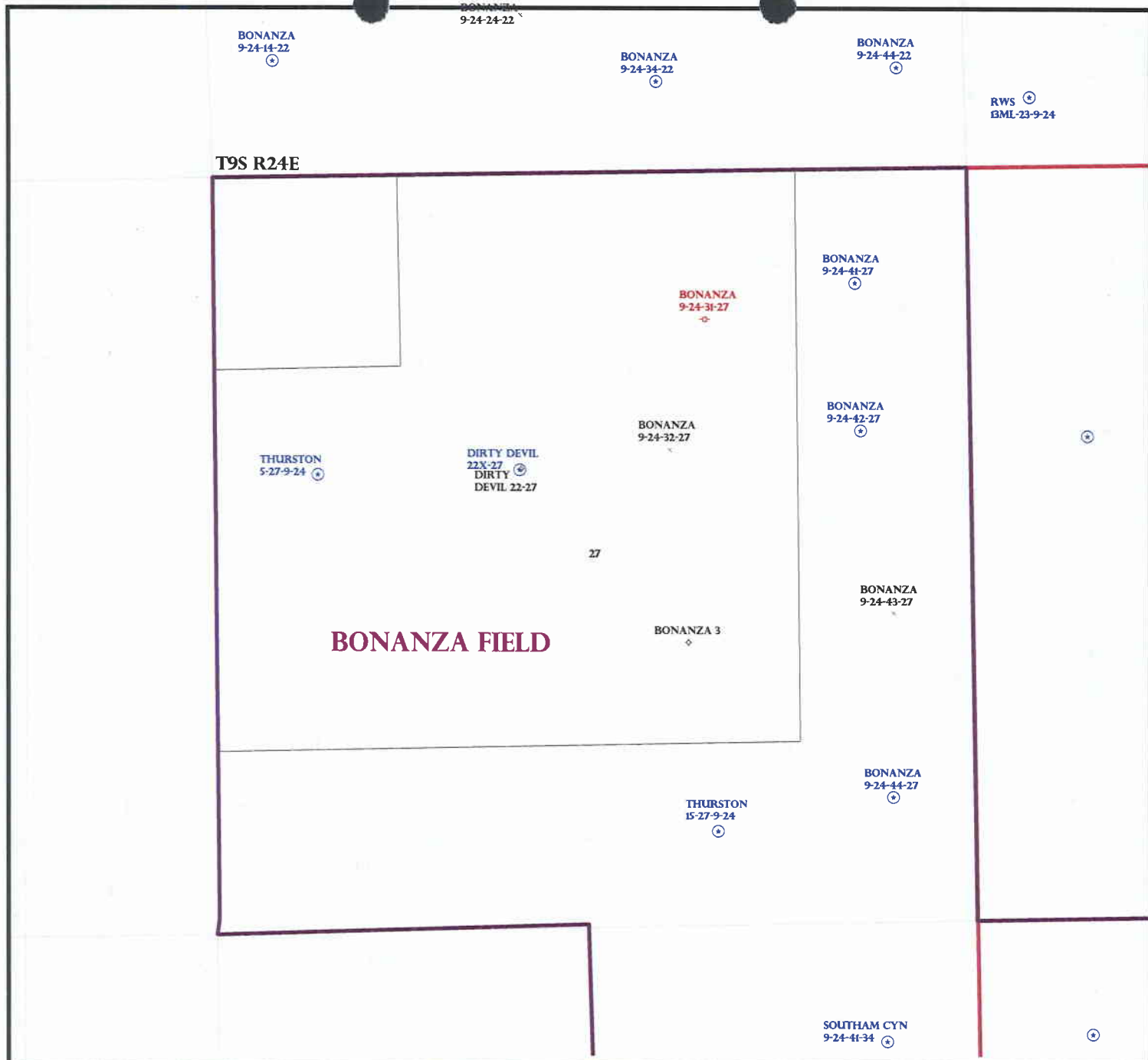
LOCATION AND SITING:

\_\_\_ R649-2-3.  
Unit: \_\_\_  
☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
\_\_\_ R649-3-3. Exception  
\_\_\_ Drilling Unit  
Board Cause No: \_\_\_  
Eff Date: \_\_\_  
Siting: \_\_\_  
\_\_\_ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

1- Fed Dept Approval  
2- Spacing Slip



OPERATOR: THURSTON ENERGY (N2790)

SEC: 27 T.9S R. 24E

FIELD: BONANZA (555)

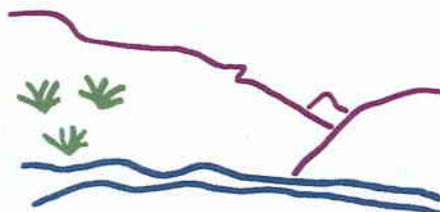
COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

**Field Status**  
 ABANDONED  
 ACTIVE  
 COMBINED  
 INACTIVE  
 PROPOSED  
 STORAGE  
 TERMINATED

**Unit Status**  
 EXPLORATORY  
 GAS STORAGE  
 NF PP OIL  
 NF SECONDARY  
 PENDING  
 PI OIL  
 PP GAS  
 PP GEOTHERML  
 PP OIL  
 SECONDARY  
 TERMINATED

**Wells Status**  
 GAS INJECTION  
 GAS STORAGE  
 LOCATION ABANDONED  
 NEW LOCATION  
 PLUGGED & ABANDONED  
 PRODUCING GAS  
 PRODUCING OIL  
 SHUT-IN GAS  
 SHUT-IN OIL  
 TEMP. ABANDONED  
 TEST WELL  
 WATER INJECTION  
 WATER SUPPLY  
 WATER DISPOSAL  
 DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
 DATE: 3-MAY-2007



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 3, 2007

Thurston Energy Operating Company  
P O Box 240  
Vernal, UT 84078

Re: Thurston 15-27-9-24 Well, 683' FSL, 1797' FEL, SW SE, Sec. 27, T. 9 South,  
R. 24 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37711.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office

Operator: Thurston Energy Operating Company  
Well Name & Number Thurston 15-27-9-24  
API Number: 43-047-37711  
Lease: UTSL-071725C

Location: SW SE                      Sec. 27                      T. 9 South                      R. 24 East

### Conditions of Approval

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office  
(801) 733-0983 home

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

#### 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

#### 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE

RECEIVED

FEB 23 2006

5. LEASE DESIGNATION AND SERIAL NO.  
**SL-071725 C**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

B TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

SINGLE ZONE ☐

OTHER

MULTIPLE ZONE ☒

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**na**

7. UNIT AGREEMENT NAME  
**na**

8. FARM OR LEASE NAME  
**na**

2. NAME OF OPERATOR

**Thurston Energy Operating Company**

9. WELL NO.

**Thurston 15-27-9-24**

3. ADDRESS OF OPERATORS

**PO Box 240 Vernal, UT 84078**

10. FIELD OR LEASE NAME

**Undesignated**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)

at surface **683' FSL & 1,797' FEL SWSE**

At proposed prod. Zone **same as above**

**43-047-37711**

11. Sec., T., R., M., OR BLK

AND SURVEY OR AREA

**Sec. 27, T9S, R24E**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

**41.8 miles south of Vernal, UT**

12. COUNTY OR PARISH

**Uintah**

13. STATE

**Utah**

15. DISTANCE FROM PROPOSED LOC. TO NEAREST PROP. OR LEASE LINE, FT. (Also to nearest drlg. Unit line, if any)

**683'**

16. NO. OF ACRES IN LEASE

**400**

17. NO. OF ACRES ASSIGNED TO THIS WELL

**40**

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING COMPLETED.

OR APPLIED FOR, ON THIS LEASE, FT.

**1,100'**

19. PROPOSED DEPTH

**8,000**

20. ROTARY OR CABLE TOOLS

**Rotary**

21. ELEVATION (SHOW WHETHER DF, RT, GR, etc.)

**5,638' GR**

22. APPROX. DATE WORK WILL START

**4/30/06**

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<b>11"</b>	<b>9 5/8"</b>	<b>36#</b>	<b>2000'</b>	<b>145 sks</b>
<b>7 7/8"</b>	<b>5 1/2"</b>	<b>17#</b>	<b>T.D.</b>	<b>808 sks</b>

The operator requests permission to drill the subject well. Please find the attached 10 point plan and 13 point plan.

**William A Ryan**  
**290 S 800 E**  
**Vernal, UT 84078**  
**435-789-0968**

RECEIVED  
FEB 13 2007  
DIV. OF OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM. If proposed to deepen or plug back, give data on proposed productive zone and proposed new productive zone. If proposal is to drill or deepen directional, give pertinent data on subsurface location and measure and true vertical depths. Give blowout preventer program, if any.

24

SIGNATURE

**William A. Ryan**

TITLE

**Agent**

DATE

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

**Assistant Field Manager**

DATE

CONDITIONS OF APPROVAL

**Lands & Mineral Resources**

**2-2-2007**

CONDITIONS OF APPROVAL ATTACHED

\*See Instructions on Reverse Side

U. S. C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

VERNAL FIELD OFFICE

NOTICE OF APPROVAL

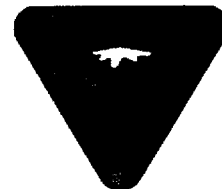
06BM2428A

NDS 02/21/06



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: Thurston Energy Operating Co. Location: SWSE, Sec 27, T9S, R24E  
Well No: Thurston 15-27-9-24 Lease No: UTSL-071725C  
API No: 43-047-37711 Agreement:

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	Cell: 435-828-7874
Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chuck Macdonald	Office: 435-781-4441	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Verlyn Pindell	Office: 435-781-3402	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- |   |  |
|---|--|
| Location Construction<br>(Notify Holly Villa)           | - Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Holly Villa)             | - Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify Petroleum Engineer)              | - Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Jamie Sparger)     | - Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger) | - Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify Petroleum Engineer)  | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

**UDOGM**

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

1. If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.
2. The interim seed mix for this location shall be:

Indian Ricegrass	<i>Stipa hymenoides</i>	4 lbs. /acre
Crested wheatgrass	<i>Agropyron cristatum</i>	4 lbs. /acre
Needle and Threadgrass	<i>Stipa comata</i>	4 lbs. /acre

  - a. All pounds are in pure live seed.
  - b. Reseeding may be required if first seeding is not successful.
3. Corner 10 of the location shall be pulled in more so not to be in the drainage.
4. The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
5. Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
6. Operator shall notify any active gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

### ***DOWNHOLE CONDITIONS OF APPROVAL***

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

#### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. A surface casing shoe integrity test shall be performed.
2. Production casing cement top shall be at a minimum of 200' above the surface casing shoe.
3. A CBL shall be run from TD to the surface casing shoe.

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

Cement baskets shall not be run on surface casing.



5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
7. The lessee/operator must report encounters of all non oil & gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
9. Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys,

sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

**Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

11. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

- f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
- 15. Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 16. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 17. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 18. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

March 30, 2007

Thurston Energy Operating Co.  
PO Box 240  
Vernal, UT 84078

Re: APD Rescinded –Thurston 15-27-9-24 Sec. 27 T. 9 R. 24E  
Uintah County, Utah API No. 43-047-37711

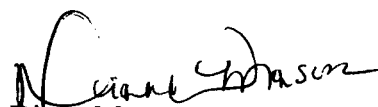
Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on February 13, 2006. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective March 30, 2007.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTSL-071725C
Name of Operator Thurston Energy Operating Company		6. If Indian, Allottee or Tribe Name NA
2. Address 30 South 800 East Bernal, Utah 84078	3b. Phone No. (include area code) (435)789-0968	7. If Unit of CA/Agreement, Name and/or No. NA
Location of Well (Footage, Sec., T., R., M., or Survey Description) 13° FSL & 1797° FEL SWSE Sec. 27 T8S, R24E		8. Well Name and No. Thurston 15-27-9-24
		9. API Well No. 4304737711
		10. Field and Pool or Exploratory Area Undesignated
		11. Country or Parish, State Utah, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

3. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The operator respectfully requests a one year extension for the subject location.

RECEIVED  
VERNAL FIELD OFFICE  
2007 NOV -6 AM 8:53  
BUREAU OF LAND MGMT.

RECEIVED  
NOV 20 2007

4. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Ginger Stringham	DIV. OF OIL, GAS & MINING	
Signature <i>Ginger Stringham</i>	Title Agent	Date 11/5/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>James F. Ashley</i>	Petroleum Engineer	NOV 07 2007
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Title	Date
	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

UDOGM

# **CONDITIONS OF APPROVAL**

## **Thurston Energy Operating Company**

### **Notice of Intent APD Extension**

**Lease:** UTSL-071725C  
**Well:** Thurston 15-27-9-24  
**Location:** SWSE Sec 27 T9S R24E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 2/2/2009.

If you have any other questions concerning this matter, please contact Jim Ashley of this office at (435) 781-4470.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTSL-071725C
2. NAME OF OPERATOR: Thurston Energy Operating Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 290 South 800 East CITY Vernal STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 683' FSL & 1797' FEL		8. WELL NAME and NUMBER: Thurston 15-27-9-24
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 27 9S 24E		9. API NUMBER: 4304737711
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Bonanza
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator respectfully requests a one year APD approval extension for the subject location.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 04-29-08  
By: [Signature]

COPY SENT TO OPERATOR

Date: 5.1.2008

Initials: KS

NAME (PLEASE PRINT) Ginger Bowden	TITLE Agent
SIGNATURE [Signature]	DATE 4/24/2008

(This space for State use only)

RECEIVED  
APR 28 2008  
DIV. OF OIL, GAS & MINING

RESET

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304737711  
**Well Name:** Thurston 15-27-9-24  
**Location:** Sec. 27, T9S, R24E SWSE  
**Company Permit Issued to:** Thurston Energy Operating Company  
**Date Original Permit Issued:** 2/13/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

*Angie Borden*  
Signature

4/24/2008

Date

Title: Agent

Representing: Thurston Energy Operating CO

**RECEIVED**

**APR 28 2008**

DIV. OF OIL, GAS & MINING





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

LLUTG01100

February 4, 2009

William A. Ryan, Agent  
Thurston Energy Operating Company  
290 South 800 East  
Vernal, UT 84078

43-047-37711  
Re: Notice of Expiration  
Well No. Thurston 15-27-9-24  
SWSE, Sec. 27, T9S, R24E  
Uintah County, Utah  
Lease No. UTSL-071725C

Dear Mr. Ryan:

The Application for Permit to Drill (APD) the above-referenced well was approved on February 2, 2007. A one (1) year extension of the original APD was requested on November 5, 2007. The request was reviewed and the extension approved until February 2, 2009. A second APD extension request for a two (2) year extension was received on November 17, 2008. This request was reviewed and approval was denied on 12/01/2008. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

*Cindy Severson*

Cindy Severson  
Land Law Examiner

cc: UDOGM

RECEIVED

FEB 10 2009

DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

June 3, 2009

Thurston Energy Operating Co.  
290 South 800 East  
Vernal, UT 84078

Re: APD Rescinded – Thurston 15-27-9-24, Sec.27, T.9S, R.24E  
Uintah County, Utah API No. 43-047-37711


Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 3, 2007. On April 29, 2008, the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective June 3, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

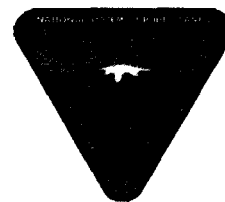
Green River District

Vernal Field Office

170 South 500 East

Vernal, UT 84078

<http://www.blm.gov/ut/st/en/fo/vernal.html>



APR 17 2015

IN REPLY REFER TO:

3160 (UTG011)

Chris Curton

Thurston Energy Operating Company

4925 Greenville Ave., #840

Dallas, TX 75206

RECEIVED

MAY 04 2015

DIV. OF OIL, GAS & MINING

Dear Chris:

43 047 37711

The referenced Applications for Permit to Drill (APD) have expired. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced applications has expired. If you intend to drill at these locations in the future, a new Application for Permit to Drill must be submitted.

Lease	Well	Aliquot	Sec., T., R.	Date Rec'd	Date Exp'd
UTSL-071725C	Thurston 5-27-9-24	SWNW	Sec. 27-T9S-R24E	10/20/2010	8/10/2013
→ UTSL-071725C	Thurston 15-27-9-24	SWSE	Sec. 27-T9S-R24E	10/20/2010	8/10/2013
UTU-0145459	Thurston 9-7-9-24	SWNW	Sec. 7-T9S-R24E	10/20/2010	8/10/2013
UTU-0145459	Thurston 10-7-9-24	NWSE	Sec. 7-T9S-R24E	12/30/2010	8/10/2013
UTU-5217	Thurston 7-9-9-24 WA	SWNE	Sec. 9-T9S-R24E	12/16/2010	8/11/2013
UTU-31266	Thurston 13-19-9-24	Lot 4	Sec. 19-T9S-R24E	10/20/2010	8/16/2013
UTU-31266	Thurston 8-20-9-24	SENE	Sec. 20-T9S-R24E	10/20/2010	8/10/2013
UTU-31266	Thurston 13-20-9-24	SWSW	Sec. 20-T9S-R24E	10/20/2010	8/10/2013

This office requires a letter confirming that no surface disturbance has been made for these drill sites. Any surface disturbance associated with the approved location of these wells is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka

Assistant Field Manager

Lands & Mineral Resources

cc: UDOGM  
bcc: Well File  
I&E Asst.